

**DEPARTMENT OF TRANSPORTATION****Surface Transportation Board****[STB Docket No. MC-F-20914]****Greyhound Lines, Inc.—Control—  
Gonzalez, Inc., d/b/a Golden State  
Transportation Company****AGENCY:** Surface Transportation Board, DOT.**ACTION:** Notice tentatively approving finance transaction.

**SUMMARY:** Greyhound Lines, Inc. (Greyhound or applicant) has filed an application under 49 U.S.C. 14303 to acquire control of Gonzalez, Inc., d/b/a Golden State Transportation Company (Golden State).<sup>1</sup> Persons wishing to oppose the application must follow the rules under 49 CFR part 1182, subpart B. The Surface Transportation Board (Board) has tentatively approved the transaction, and, if no opposing comments are timely filed, this notice will be the final Board action.

**DATES:** Comments are due by February 2, 1998. Applicants may reply by February 17, 1998. If no comments are received by February 2, 1998, this notice is effective on that date.

**ADDRESSES:** Send an original and 10 copies of any comments referring to STB No. MC-F-20914 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, send one copy of comments to applicant's representative: Fritz R. Kahn, Suite 750 West, 1100 New York Avenue, N.W., Washington, DC 20005-3934.

**FOR FURTHER INFORMATION CONTACT:** Joseph H. Dettmar, (202) 565-1600. (TDD for the hearing impaired: (202) 565-1695.)

**SUPPLEMENTARY INFORMATION:** Greyhound is a nationwide motor common carrier of passengers over regular routes that currently controls seven regional interstate motor carriers of passengers: Valley Transit Company, Inc.; Carolina Coach Company, Inc.; Texas, New Mexico & Oklahoma Coaches, Inc.; Continental Panhandle Lines, Inc.; Vermont Transit, Inc.; Los Rapiados, Inc.; and Grupo Centro, Inc. (Grupo). Golden State operates as a motor carrier of passengers in regular-

route service primarily in California, Arizona, New Mexico, and Colorado.

Greyhound states that, as a result of this control transaction, Golden State will remain a separate corporation, controlled indirectly through Sistema Internacional de Transporte de Autobuses, Inc., Greyhound's wholly owned noncarrier holding company. Golden State will initiate trans-border service to passengers traveling between points in the United States and points in Mexico through Greyhound's interest in Autobuses Crucero S.A. de C.F., a large Mexican bus line, and Greyhound's subsidiary, Los Rapiados. By acquiring control of Golden State, Greyhound will be allied with a motor carrier of passengers with an established reputation for accommodating the travel requirements of Hispanic/Latino passengers traveling between points of entry along the United States/Mexican border and points in the United States.

Applicant asserts that the aggregate gross operating revenues of Greyhound and its affiliates exceeded \$2 million during the 12 months preceding the filing of this application. Applicant also states that the proposed transaction will have no adverse competitive effects, and that the operations of the carriers involved will remain unchanged; that the total fixed charges associated with the proposed transaction are well within Greyhound's financial means; and that there will be no change in the status of any employees. Applicant certifies that: (1) Greyhound and its affiliates (except Grupo, which is not yet rated) hold "satisfactory" safety ratings from the U.S. Department of Transportation; (2) Golden State has a "conditional" rating and will procure and maintain sufficient liability insurance to meet the established fitness requirements; (3) neither Greyhound nor Golden State is domiciled in Mexico, and neither is owned or controlled by a citizen of that country; and (4) approval of the transaction will not significantly affect either the quality of the human environment or the conservation of energy resources. Additional information may be obtained from applicant's representative.

Under 49 U.S.C. 14303(b), we must approve and authorize a transaction we find consistent with the public interest, taking into consideration at least: (1) the effect of the transaction on the adequacy of transportation to the public; (2) the total fixed charges that result; and (3) the interest of affected carrier employees.

On the basis of the application, we find that the proposed acquisition of control is consistent with the public interest and should be authorized. If any

opposing comments are timely filed, this finding will be deemed vacated and a procedural schedule will be adopted to reconsider the application. If no opposing comments are filed by the expiration of the comment period, this decision will take effect automatically and will be the final Board action.

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

*It is ordered:*

1. The proposed acquisition of control is approved and authorized, subject to the filing of opposing comments.

2. If timely opposing comments are filed, the findings made in this decision will be deemed vacated.

3. This decision will be effective on February 2, 1998, unless timely opposing comments are filed.

4. A copy of this notice will be served on the U.S. Department of Justice, Antitrust Division, 10th Street & Pennsylvania Avenue, N.W., Washington, DC 20530.

Decided: December 12, 1997.

By the Board, Chairman Morgan and Vice Chairman Owen.

**Vernon A. Williams,**  
*Secretary.*

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**DEPARTMENT OF TRANSPORTATION****Surface Transportation Board****[STB Ex Parte No. 290 (Sub No. 5) (98-1)]****Quarterly Rail Cost Adjustment Factor****AGENCY:** Surface Transportation Board; DOT.**ACTION:** Approval of rail cost adjustment factor.

**SUMMARY:** The Board has approved the rebased first quarter 1998 rail cost adjustment factor (RCAF) and cost index filed by the Association of American Railroads. As required by statute, the RCAF was rebased using the fourth quarter 1997 index value as the denominator and first quarter 1998 index value as the numerator (10/1/97=1.00). Rebasing is required every five years. The rebased first quarter 1998 RCAF (Unadjusted) is 0.996. The rebased first quarter 1998 RCAF (Adjusted) is 0.657. The rebased first quarter 1998 RCAF-5 is 0.640.

**EFFECTIVE DATE:** January 1, 1998.

**FOR FURTHER INFORMATION CONTACT:** H. Jeff Warren, (202) 565-1549. TDD for the hearing impaired: (202) 565-1695.

<sup>1</sup> Greyhound will acquire 51% of the stock of Golden State and will exercise control of Golden State through its wholly owned subsidiary, Sistema Internacional de Transporte de Autobuses, Inc. Mr. Gonzalez and members of his family will retain the remaining 49% stock interest through a trust, the Francisco & Josefa Gonzalez Family Limited Partnership.